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EXAMINER

JANVIER, JEAN D

ART UNIT

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 09/880,430	<b>Applicant(s)</b> PLIHA, ROBERT KENNETH	
	<b>Examiner</b> JEAN JANVIER	<b>Art Unit</b> 3688	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-4, 7-22, 25-34, 53 and 54 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-4, 7-22, 25-34 and 53-54 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)          | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. ____.                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date ____.  | 6) <input type="checkbox"/> Other: ____.                          |

### **Response to Applicant's Arguments**

Applicant's arguments with respect to the claimed have been considered but are moot in view of the new ground(s) of rejection. Further, the restriction has been made final.

#### **DETAILED ACTION**

#### **Specification**

#### **Claim Status**

Claims 1-4, 7-22, 25-34, 53-54 were elected, without traverse, for prosecution on the merits after a restriction requirement. The rest of the claims are either canceled or withdrawn from further consideration. Applicant is herein requested to cancel the withdrawn claims in a future correspondence.

#### ***General Comments***

#### ***Claim Objections***

Claim 1 is objected to because of the following informalities:

Concerning claim 1, the limitation "selecting the desired incentive **from the plurality of incentives** for the customer..." appears to be confusing since the incentive information specifies at least one incentive, but not a plurality of incentives and thus, "selecting the desired incentive from the plurality of incentives for the customer..." should apparently be "selecting the at least one incentive for the customer based...".

Appropriate correction is herein being requested.

#### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Art Unit: 3688

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claim 1 (including its dependent claims) is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Based on Supreme Court precedent, a method/process claim must (1) be tied to another statutory class of invention (such as a particular apparatus) (see at least *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (see at least *Gottschalk v. Benson*, 409 U.S. 63, 71 (1972)). A method/process claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here, the claims or at least independent claim 1 fail to meet the above requirements because the recited steps are neither tied to another statutory class of invention (such as a particular apparatus) nor do they physically transform the underlying subject matter (such as an article or materials) to a different state or thing.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-4, 7-22, 25-34 and 53-54 are rejected under 35 U.S.C.103(a) as being unpatentable over Carrithers, USP 5,689,100 in view of Deaton, US Patent 5, 649, 114.

Art Unit: 3688

As per claims 1, 3, 4, **2, 7-8, 9, 10, 13, 18, 21-22, 25-34 and 53-54,**

Carothers discloses a debit card system for implementing an incentive award program for a sponsor customer (merchant or participant) having participants or consumers/customers (**receiving by an administrator from a merchant incentive data specifying at least one incentive to be provided to a consumer based on the consumer's transactional data involving a branded debit card (financial institution account transaction data)**). A plurality of debit cards, each assigned to one participant or consumer and having a unique account number corresponding to an award account of the participant is part of the system. A bank filter processor accesses program data such as data identifying the authorized unique account numbers of the participants/consumers, data identifying the authorized merchants (participants) and data indicating the balance in each participant's award account. The filter processor compares the program data to these transaction data (receiving and analyzing a customer's financial transaction activity or transaction data): the initiating account number of the card initiating the transaction, the merchant identification data of the initiating merchant, and the data regarding the amount of the initiated transaction. The filter processor generates validating data for the transaction when the evaluated transaction data indicates that the transaction has been initiated by an authorized merchant using the unique

Art Unit: 3688

account number of one of the participants having a sufficient balance in the participant's corresponding award account to cover a current transaction.

Otherwise, the system is adapted to invalidate the (transaction) data (See abstract; figs. 4A and 5B; col. 2: 9-67).

In one preferred embodiment, a debit card system 100 according to the system is illustrated FIG. 1. Debit card system 100 implements an incentive award program managed by an administrator (system manager) for a customer/merchant having participants/consumers who are part of the incentive award program (receiving by an administrator/system manager from a participant customer or merchant incentive data or information). As used herein, an incentive award program may be any incentive plan or policy used to encourage or reward a participant/consumer of the merchant, based on the participant's performance, the participant's use of particular merchants, which sell goods and/or services (suppliers of goods) or a combination thereof. Frequently, such programs are referred to as loyalty, frequency, affinity, retention, or performance improvement programs. This is because such programs encourage or improve participant loyalty, affinity, retention, quality of performance or frequency of performance. The incentive program permits the participants to obtain as a motivational award products and/or services from authorized merchants who are part of the incentive award program. As part of the incentive award program, authorized merchants have a contractual and/or business relationship with the administrator and have agreed to participate in the incentive award program and the handling of debit transactions and commissions (col. 3: 31-53).

Art Unit: 3688

It is an object of this invention to provide a system for implementing an **incentive** award program which employs **debit** cards. It is another object of this invention to provide a system which implements an **incentive** award program which minimizes or eliminates the need for paperwork to support transactions by which **participants obtain rewards, and track such said earnings, redemption and accounts (the system tracks the use or redemption of the selected or provided incentives by the consumers-col. 1: 55-61).**

The system comprises means for implementing an **incentive** award program for a sponsor **customer** having participants. The program permits the participants to obtain as a award products and/or services from authorized merchants who are part of the **incentive** award program and who are part of a **credit/debit** card network (col. 2: 9-14).

A **debit** card system 100 of fig. 1 includes a plurality of **debit** cards 114. Each **debit** card 114 is considered unique and is assigned to one participant/customer of the **incentive** award program. Each **debit card 114 has a unique account number, which is generally printed on the card such as by raised lettering and may also be encoded on a magnetic strip, which is part**

Art Unit: 3688

of the **debit** card. Further, this unique **account** number corresponds to an award **account** of the participant/customer and enables tracking of the customer's activity (col. 4: 20-30; col. 4: 40-57).

The award **account** is the vehicle by which the **customer (i.e. claimed participant) rewards** its participants with **points**, which allow the participants (i.e. claimed customers) to take advantage of the **incentive** award. In general, the featured **debit card offers the services of an account** from which funds or points can be withdrawn from a customer's account and electronically transferred to a merchant's bank account without the need for paper to effectuate the **debit** transaction involving cash or points. It is an electronic **account** that transfers amounts (cash and/or points) from one **account** to another as a holder of the card uses the card to make purchases. Once a card holder or participant uses his/her **debit** card for a purchase, the purchase amount or points equivalent is withdrawn from the **account** to pay for or cover the services or products being purchased from a participating merchant (debiting the customer's financial institution account and crediting a merchant's account with a certain amount of points or equivalent based on the value of a transaction-Col. 4: 40-57).

Normally, filter processor 116 would be provided with data identifying the authorized unique **credit/debit card account numbers of credit/debit** cards issued by



Art Unit: 3688

the financial institution. According to the **debit** card system 100 of the system, filter processor 116 of fig. 1 also accesses program data including data identifying the authorized unique **account** numbers of the participants/customers of the **incentive** award program. **Each unique **account** number has been assigned to one particular participant/customer and that participant's **debit** card or cards bears the assigned unique **account** number, which **account** number corresponds to the award **account** of the participant (a customer may use a plurality of debit cards, each linked to the customer's unique award account, to participate in the incentive award program and the system tracks the use of the customer's debit cards to pay for transactions and (electronically) awards points or incentives to the customer based on the tracked data or transaction activity-Col. 5: 2-25).**

In addition, the filter processor 116 accesses program data including data indicating the balance of each participant's award **account (comprising the customer's incentives or points)**. This balance is controlled and electronically maintained by the **customer therein and would have a point value, which is converted into a currency value in the course of a **debit** transaction, (the customer's incentives or points are electronically transferred**

Art Unit: 3688

**(electronic funds transfer) to his financial account or award account related to the customer's debit cards-Col. 5: 31).**

In general, a complete **debit** transaction according to the present system has three parts, which preferably occur in the following order: a pre-authorization process including the conversion of **points** to a currency, during a redemption or transaction, such as illustrated in FIGS. 2A, 2B, and 3; a force post process such as illustrated in FIGS. 4A and 4B; and a settlements/commissions process such as illustrated in FIGS. 5A and 5B (Col. 7: 20-26).

During a typical debit transaction involving redemption of incentives or points, if the initiating **debit** card is a valid **debit** card number, the process proceeds to step 224 to evaluate the DDA (demand **deposit account**) portion of the initiating **account** number. If the DDA portion is invalid, the process proceeds to step 226 to generate invalidating data because of an invalid DDA **account** number. If the DDA **account** is valid, the process proceeds to step 228 to determine the number of **points** available for the particular **account** number. If the number of **points** when converted to a currency does not equal or exceed the value of the initiating **debit** transaction (redemption of points), the process proceeds to step 230 to generate invalidating data because of insufficient **points/incentives** to complete the **debit** transaction or pay for a purchased product or service (Col. 8: 30-42; fig. 2). Referring now to FIG. 3, if sufficient **points** are available to cover the **debit** transaction, then the process proceeds to step 236 to **debit the account** balance of the consumer. After step 236, the process proceeds to step 238 to generate validating data provided by the filter processor 116 via I/O port 118 to the processor 104 and eventually to the initiating merchant honoring the points in exchange for a purchased product/service (Col. 8: 43-65).

Art Unit: 3688

See Col. 9: 12-61.

Further, FIG. 6 illustrates that a **customer** (claimed participant) provides enrollment, issuance, and **points/incentive** information to an administrator or system manager. A participant/consumer (claimed customer) with **debit** card 114 initiates travel/merchandise orders and receives a **periodic account statement** from the information that is in the filter processor (Col. 9: 62 to col. 10: 6).

**It is also contemplated that the **debit** card system 100 may have several optional features. For example, the administrator may have a commission **account** and via an automated clearing house may **debit** a transaction commission amount for each validated **debit transaction to the commission account** of the program administrator while **crediting** the transaction commission amount to an **account** of the initiating merchant. More particularly, the **credit/debit** card network processor 104 may deduct the commission amount **credited** to the initiating merchant from the merchant's proceeds from the validated **debit** transaction (crediting the administrator's account for each successful debit transaction or points-based transaction or transaction involving the redemption of a consumer's points or incentives-Col. 10: 7-18; see claims 3-4 of the current reference).**

Art Unit: 3688

Optionally, the featured debit cards may be embossed or marked with information identifying a merchant so that whenever a consumer uses the debit card, he is reminded that such card provides rewards (points or incentives), which have been supplied by the merchant (receiving by an administrator from at least one merchant incentive information, providing the merchant's incentives or points, based on the received incentive information, to a customer upon receiving from the customer's financial institution transaction data indicating the use of the featured debit card, having imprinted thereon identification data identifying the merchant providing the points, to pay for a debit transaction-Col. 10: 19-23).

It is further contemplated that many types of optional reports, some of which have been noted (FIG. 6) may also be generated by the debit card system 100 of fig. 1. For example, the filter processor 116 may generate redemption reports for each merchant indicating debit card transactions by customers. In this case, the filter processor 116 generates a rewards account report for each customer indicating debit transactions (debit transaction activity) by such participant and indicating the amount of points in such participant's award account (Col. 10: 24-32; claim 9 of the current reference).

Although the administrator, bank, and customer are indicated as separate entities, it is contemplated that the bank and administration may be the same entity, in which case

Art Unit: 3688

processors 116, 122, and 124 may be a single processor computer. Alternatively, the **customer** may be both the administrator and/or the bank. (col. 5: 44-49).

In short, with respect to at least claim 1, Carrithers teaches the step of receiving by an administrator from at least one merchant (participant) incentive information, specifying at least one incentive or one type of incentives, e.g. points, providing the merchant's incentives or points, based on the received incentive information, to a customer upon receiving from the customer's financial institution transaction data indicating the use of the featured debit card, having imprinted thereon identification data identifying the merchant providing the points in the first place, to pay for a debit transaction. In other words, Carrithers discloses providing one or more incentives or points to the customer or user selected based on the customer's transaction data- See abstract: Col. 10: 19-23.

As per claims 1 and 8, Carrithers does not expressly disclose categorizing the incentive into an incentive decile and selecting the desired incentive from a plurality of incentives for the customer based on the customer's calculated **transaction level (transaction activity, purchase history or statistical activity) and the incentive decile level (class of incentives).**

However, Deaton teaches, among other things, a system for distributing incentives (coupons) to customers based on factors such as demographics, recency, frequency, volume

Art Unit: 3688

purchase data, timing of purchases or purchase cycle data, brand loyalty, coupon, redemption data and custom price sensitivity. These factors are used to develop coupon lists, associated with customers' transaction habits or tendencies, which are spooled to a coupon printer for delivery to the customers at the checkout register via printed receipts or statements **or by mail**.

Alternatively, the coupon lists may be spooled to an electronic medium, such as customers' smart cards or a store's system controller mass storage device for automatic electronic redemption on a future bill or transaction amount (figs. 19-45).

Furthermore, Deaton teaches a system for providing selective incentives to a customer if and only if the customer's shopping history or transaction history or purchase history meets some predetermined criteria, such as demographics, recency, frequency, volume purchase data, timing of purchases or purchase cycle data, brand loyalty, coupon redemption data and custom price sensitivity data and infrequent purchase data, as set forth by a retailer. Upon analyzing the shopping history data or purchase history data using a program subroutine as disclosed in figs. 18 and 23-47 or any conventional data mining technique, a decision is made, subsequent to determining the customer's purchase habits or pattern or tendencies, on whether or not the said customer should receive one or more selective incentives and/or be targeted for a particular product promotion.

See Col. 1: 66 to Col. 2: 4; Col. 65: 61 to Col. 67: steps 40-46; Col. 68: 8-16; Col: 71: 4 to Col.72: 58.

In addition, Deaton teaches a system wherein a customers' purchase history, such as price sensitive data, volume purchase data, frequency of shopping data, brand loyalty data and so on, is used not only to target the customers by offering different categories of discount

Art Unit: 3688

**coupons (categorizing incentives or coupons as coupon A, coupon M, standard coupon, echo coupon, which are offered/selected to the customers based on their tracked transaction level or purchase history)** redeemable on particular promotional products to the said customers, but also to anticipate or predict what the customers will purchase next and prepare a specific promotional package to target these particular customers (cot. 71: 30-45 and steps 200-211; cot. 100: 64 to cot. 101: 13; cot. 101: 48 to cot. 103).

Deaton, for example, clearly points out that transaction tendencies or patterns can be used to at least divide customers into two groups, that are customers who are price sensitive and those who are not. Based on this grouping, two different promotional messages regarding a particular promoted product will be generated. The customer who is price sensitive will receive a coupon with a higher value to encourage him to buy the promoted product while the other customer will receive a coupon with a lower value to buy the promoted product, as depicted in col. 93: step 272. Moreover, customers are also ranked or categorized as frequent customers and infrequent customers based on their shopping history and are targeted accordingly in order to induce the customers to behave in a certain way or maintain a particular shopping pattern.

**As seen above, Deaton teaches categorizing the incentives into several categories and grouping the customers into different groups based on their transaction activity or transaction level (purchase history) and selecting one or more incentives, from a category of incentives, for a customer based on his recorded transaction level or transaction activity and/or the group he belongs to. The selected one or more incentives are conveyed to the customer or target customer via a printed receipt or statement, mail or direct mail or encoded on the customer's smart card or shoppers' card.**

Art Unit: 3688

In general, Deaton discloses a system for providing customized incentives to qualified users or members based on the users' purchase history collected through a network of local stores. The users first register with the system and may receive frequent shopper's cards for electronic couponing and may use acceptable payment instruments such as checks, credit cards, and debit cards as valid identifications during purchases, including those involving redemption of printed coupons, so that their activities can be monitored and fraud incidents can be curtailed. In one embodiment, a user may receive a printed coupon during a transaction at a POS (or the printed coupon may be mailed to the customer) and the printed coupon is redeemable on a future trip at an associated store POS within a network (WAN/Internet) (figs. 19-21). Indeed, an alternate embodiment provides functions similar to the check verification system of FIGS. 1 through 18A-C for verifying checks and providing targeted marketing, **but enables the use of account numbers from a variety of financial payment or transaction instruments such as checks, credit cards and debit cards to be utilized as a customer identification number (identification marks used during a redemption or validation or verification process).** Smart cards and marketing cards may also be utilized for the cash customer. This substantially enhances the breadth of uses of the present system and enables the retail store to track all customers whether or not they pay by check or not. The present system may thus be usable with checks, credit cards, debit cards, electronic checks (such as paperless check ACH), electronic benefits transfer such as food stamps, cards and the like, as well as proprietary merchant issued marketing cards for charging, check cashing identification or for marketing purposes which may or may not be magnetically encoded or bar encoded, as well as a smart card containing nonvolatile memory (col. 70: 30-64).



Art Unit: 3688

Furthermore, the subsequent performance of a customer (redemption of the one or more incentives) is tracked, via the payment instrument identification used, by the present system to determine which coupons are redeemed or not by the customer or to determine the customer's response to the incentives. The marketing program of incentives may then be changed by the system based upon that customer's subsequent performance. Thus, performance may be tracked **or monitored by the present system at a product level, a department level or a store level** (col. 70: 65 to col. 71: 17 and see embodiment of fig. 34).

**Although various types of payment instruments and identification instruments have been illustrated for use with the AP/M in FIG. 21, it will be appreciated that other types of payment instruments bearing unique identification numbers are envisioned for use with the present system, both to provide payment identification for verification but also to provide unique identification of customers for the marketing techniques of the present invention (col. 77: 45-52).** It is further contemplated here that a user can bring a coupon printed at one store to another store for redemption. In this case, the user should be properly identified, using any form of identification as described above, in conjunction with the remote server (figs. 19-21; col. 74: 37-67) before the redemption can be performed (validation process).

Finally, categorizing the customer's incentive into a “**decile level**” as opposed to classifying the incentive as coupon A, coupon M, Echo coupon and so on, is a matter of desires, which does not directly impact the functionality and utility of the process or system by which the system determines, for example, whether a Coupon A, a Coupon M or an Echo Coupon (i.e. type of incentive or incentive level) is given to a customer.

Art Unit: 3688

Therefore, an ordinary skilled artisan would have been motivated, at the time of the invention, to incorporate the teachings of Deaton into the Carrithers' system so as to track a customer's transaction activity (purchase history) through one or more merchants' POSes, classify the customer as infrequent, frequent, price-sensitive customer based on his transaction activity or purchase history and to provide a number of points (an incentive level or points level) to the customer in accordance with the tracked transaction activity and the customer's classification when the customer uses the featured debit card to pay for transactions at participating merchants' while redeeming existing points, thereby defining strict criteria or conditions that must be met by the customer to receive from the merchant's a certain or a category of incentives (points level) when using the featured debit card, while limiting the merchant's or participant's liability and while encouraging the customer to buy more from the merchant or other participating merchants within the network since the providing of the incentives is tied to frequently visiting the participating POSes and spend more money, which in the end increases the merchant's economic bottom line.

As per claims 2, 7 and 19, Carrithers does not expressly disclose receiving incentive matrix (table) correlating incentives with characteristics of the customer (presenting customized incentives to a customer based on his profile), including demographic data with the customer's transaction activity (purchase history) and presenting or conveying the incentives to the customer via a statement (printed receipt).

However, Deaton teaches tracking a customer's transactions throughout a network of stores where the customer uses check, credit card, debit card and other payment instruments to

Art Unit: 3688

pay for transactions. The payment instruments are used as identifying indicia, uniquely identifying the customer within the network, and are very useful in tracking the customer's activity, especially when the customer uses cash. Deaton also discloses providing a category of incentives to the customer's based on the customer's monitored transaction activity and demographic variables. Further, Deaton teaches several means of conveying or presenting the incentives to the customer including, but not limited to, printing them on papers provided at the participating POSes to the customer as part of the customer's receipts (See the Deaton's disclosure as featured in claim 1).

Therefore, an ordinary skilled artisan would have been motivated, at the time of the invention, to incorporate the teachings of Deaton into the Carrithers' system so as to provide a category of incentives (e.g. Coupon A, Coupon M, Echo Coupon, etc.) to a customer based on the customer's monitored transaction activity or purchase history and demographic variables wherein the incentives are conveyed to the customer via printed paper receipts or statements (incentive notification), thereby defining strict criteria or conditions that must be met by the customer to receive from the merchant's a certain or a category of incentives (points level), conveyed to the customer via paper receipts printed at the POS, when using the featured debit card, while limiting the merchant's or participant's liability and while encouraging the customer to buy more from the merchant or other participating merchants within the network since the providing of the incentives is tied to frequently visiting the participating POSes and spend more money, which in the end increases the merchant's economic bottom line.

Art Unit: 3688

As per claims 11 and 14, Carrithers does not explicitly disclose conveying the incentive to the customer via mail or direct mail.

However, Deaton discloses conveying the incentives to the customer via mail or direct mail (see Deaton's disclosure as featured in claim 1).

Therefore, an ordinary skilled artisan would have been motivated, at the time of the invention, to incorporate the teachings of Deaton into the Carrithers' system so as to provide a category of incentives to a customer, based on his tracked transaction activity, and to convey the presence of the incentives to the customer via mail or direct mail, thereby allowing a customer to know ahead of time or before going to a participating merchant's store his accumulated incentives or points available for redemption, while helping him to better organize his shopping trip using critical (budgeting) information.

As per claims 11, 15-17 and 20, it appears that the combination of Carrithers and Deaton does not expressly disclose the specific limitations recited therein namely conveying the incentive to the customer via an ATM machine or ATM network or automated teller network (claims 11 and 20), home banking through a call center (claims 15-16) and online banking (claim 17).

However, it is common practice in the art to convey an incentive to a customer via an ATM machine or automated teller network, wherein the incentive is printed on the customer's ATM receipt along with a phone number used by the customer to contact a call center to redeem the incentive (See Jheeta, U.S Patent 5,619, 558A). Furthermore, incentives can be conveyed to a

Art Unit: 3688

customer via a home computer screen (See Barnett 6,321,208) or a store kiosk. Moreover, one or more incentives can be conveyed to a customer via a call center or telephone system.

Finally, conveying or notifying the presence of an incentive to a customer via home banking, a call center, online banking, ATM machine, automated teller network, mail or e-mail and so on is a matter of desires, which does not directly impact the functionality or utility of the method or system configured to provide one or more customized incentives to the customer based on his monitored transaction activity or purchase history. In other words, the type of communication means used to convey or notify the customer of the presence of the incentives is a matter of choice that varies from one vendor to another such that two vendors implementing the same invention, as featured in claim 1, may choose to use different communications means to notify the customer of the availability of the customized incentives.

#### “Official Notice”

Therefore, those findings are well within the level of skills of an ordinary artisan who would have been motivated, at the time of the invention, to incorporate the above disclosure (“Official Notice”) into the systems of Carrithers and Deaton so as to provide one or more incentives, from a category, to a customer, based on his tracked transaction activity, and to convey the presence of the incentives to the customer via mail/direct mail, home banking, a call center, online banking, ATM machine/automated teller network, while concluding that the specific communication means used to convey or notify the customer of the presence of the incentives is a matter of choice, which does not really impact the utility or functionality of the system, thereby rendering the system more flexible by using a plurality of communication means to convey the presence of one or more customized incentives to the customer and allowing him

Art Unit: 3688

to know ahead of time or before going to a participating merchant's store his accumulated incentives or points available for redemption, while helping him to better organize his shopping trip using critical (budgeting) information.

### Conclusion

Although the following references were not officially used in the Action, however, they are considered relevant:

**USP 6, 434, 534B1 to Walker** discloses a method for providing and managing a customized reward offer to a holder of a financial account. The method includes the step of accessing historical account data associated with the financial account. The method further includes the step of determining a first performance target associated with the financial account. The method also includes the steps of selecting a reward offer having an associated reward description and transmitting the first performance target and the reward description to the account holder. The method continues with the steps of collecting transaction data associated with the financial account and evaluating the collected transaction data to determine a second performance target associated with the financial account. The collected transaction data is then compared to said first performance target. If the collected transaction data exceeds the first performance target, the financial account is updated to reflect the reward. A system is also provided to implement the steps of the method (See abstract and summary section).

**WO 97/23838A1 to Scroggie** teaches an incentive distribution network or system over the Internet wherein a plurality of purchasing incentives and shopping aids are made available for qualified customers through the Internet or via e-mail. A customer (10) of retail stores, logs into the system and then elects to browse among available purchasing offers (18, 22), elects to claim

Art Unit: 3688

a product rebate or to receive product information. The system merges customer's supplied information (270) with other purchase incentive data (272) and creates a printable graphical image of the purchasing incentive (282) for transmission to the customer. In an alternate embodiment, the purchase incentive is not transmitted directly to the customer. Instead, the terms of the incentive are transmitted electronically to the retail store (310) of fig. 13 designated by customer (10) or located in the customer's geographical region, who receives either a token (316) having at least a specific code or a bar code to present at the store or an advisory message used along with other identification to identity the customer at the POS during a redemption process. Further, in yet another embodiment, incentives may be targeted to specific customers based on a customer's purchase history (502), when the customer uses a payment instrument such as a debit card or credit card during transactions at POSes, and transmitted to the consumers by e-mail using the customers' e-mail addresses stored in a consumer database (506). In other words, notification or indication of the availability of these incentives is transmitted to the customers in the form of Internet messages, for retrieval when the customers or consumers next access a web site associated with the system or check their e-mails. Finally, the incentive message informs a customer that one or more specific offers are available and can be received at a participating POS when the prerequisite products are purchased. Alternatively, subsequent to receiving an e-mail notification or an indication of an incentive offer, an image of a paper coupon may be transmitted to the customer's computer site and printed for later presentation at pre-selected POS (See abstract; page 9: 22-30; page 12: 23-25; page 13: 2-3; page 15: line 3-10; page 20: 2-8; page 20:16 to page 21: 30; figs 9 and 11-15).

As described above, the customer or user 10 is allowed to receive more targeted or focused incentives if he provides additional information regarding his identity such as financial accounts or payment instruments (credit card or debit card or check-cashing card number-page 6: 13-17; fig. 14).

**U.S Patent 5,619, 558A to Jheeta** discloses a method for segment of one marketing to a customer who utilizes an automated teller machine (ATM) coupled to an ATM network of a financial institution. The ATM dispenses to the customer, subsequent to receiving an input such as an ATM or debit card entry from the customer, a receipt containing a transaction record, a promotion, and a telephone number for redeeming the promotion. When the customer calls the associated telephone number, a telephonic survey is conducted and includes questions relating to products and services offered by a marketer. Answers to the survey questions are stored in a customer profile in a computer database, and the promotion is sent to the customer. The customer profile is used to generate a segment of one target message specific to the customer, which offers a specific product or service from the marketer based on the stored customer profile. The target message is then sent to the specific customer to complete the segment of one marketing (See abstract; figs 1-5; col. 1: 45-59).

This reference can be combined with Carrithers to reject the claims under 35 USC 103(a).

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO**



Art Unit: 3688

MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication from the Examiner should be directed to Jean D. Janvier, whose telephone number is (571) 272-6719. The aforementioned can normally be reached Monday-Thursday from 10:00AM to 6:00 PM EST. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's Supervisor, Mr. Eric W. Stamber, can be reached at (571) 272- 6724.

Non-Official- 571-273-6719.

Official Draft : 571-273-8300

Re. 01/05/08

09/29/08

/J. J./

/Jean Janvier/

Primary Examiner, Art Unit 3688

Application/Control Number: 09/880,430

Page 25

Art Unit: 3688